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FOREIGN CROPS and MARKETS

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LATE FOREIGN DEVELOPMENTS

FINLAND: The Government, to stimulate production, proposes a bounty of one mark per kilogram (1 cent per pound) for cereal crops exceeding fixed average. Finland's present average cereal deficit estimated at 260,000 short tons.

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SWITZERLAND: Bread rationing established, effective October 16. The normal daily ration fixed at 225 grams per capita.

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SPAIN: August declared exports of pickled olives in the Seville consular district for shipment to the United States with 1941 data in parentheses were 233,277 gallons of olives in brine (172,900) and 307,052 gallons stuffed (155,792). These were made up of 314,260 gallons of Queens (223,188) and 226,049 gallons of Manzanillas (105,504).

It is reported that the 1942-43 pack of pickled olives is expected to be considerably below the 70,000 hogsheads of Queens and 50,000 hogsheads of Manzanillas now estimated to have been packed in 1941-42. The picking olives are reported of good quality with little fly damage reported.

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G R A I N SCANADA'S LATE GRAIN CROPS LARGE-
FARM INCOME HIGH . . .

The first official estimate of production of late crops in Canada was recently released by the Dominion Bureau of Statistics at Ottawa. This estimate places production of mixed grains and corn for grain at an all-time record level. The crop of mixed grains was raised largely in Ontario and Quebec, these Provinces accounting for about 36 percent of the total. Buckwheat production is also largely concentrated in these two Provinces, which are estimated to have produced 85 percent of this year's crop. The 1942 production, while estimated to be above last year's short crop, is still below average. Corn grown for grain is raised mainly in Ontario but has been produced to a lesser extent in Manitoba in recent years. The 1942 outturn is slightly above the large 1941 crop, as the result of an increase in Ontario, which was not entirely counteracted by the reduction in Manitoba. Fodder corn is estimated to have yielded 4,333,600 tons as compared with 4,163,800 tons in 1941. All cuttings of alfalfa amounted to 3,935,000 tons as against 2,726,800 tons last year.

CANADA: Production of mixed grains, corn and buckwheat,
1941 and 1942

Province	: Mixed grains :		: Corn for grain:		: Buckwheat	
	: 1941 :	: 1942 :	: 1941 :	: 1942 :	: 1941 :	: 1942 :
	: 1,000 :	: 1,000 :	: 1,000 :	: 1,000 :	: 1,000 :	: 1,000 :
	: bushels:	: bushels:	: bushels:	: bushels:	: bushels:	: bushels:
Prince Edward Island ..	: 1,161:	: 1,350:	: - :	: - :	: 32:	: 42:
Nova Scotia	: 331:	: 221:	: - :	: - :	: 60:	: 76:
New Brunswick	: 300:	: 429:	: - :	: - :	: 483:	: 552:
Quebec	: 5,539:	: 8,650:	: - :	: - :	: 1,773:	: 1,785:
Ontario	: 38,942:	: 46,961:	: 11,337:	: 12,126:	: 2,326:	: 2,545:
Manitoba	: 861:	: 1,333:	: 2,025:	: 1,500:	: 114:	: 110:
Saskatchewan	: 548:	: 2,648:	: - :	: - :	: - :	: - :
Alberta	: 900:	: 2,774:	: - :	: - :	: - :	: - :
British Columbia	: 176:	: 254:	: - :	: - :	: - :	: - :
Total	: 48,658:	: 64,620:	: 13,362:	: 13,626:	: 4,733:	: 5,110:
	: :	: :	: :	: :	: :	: :

Compiled from official sources.

The wheat and coarse grains harvest is still continuing throughout Western Canada. Favorable harvesting weather prevailed during the first half of October, and good progress was made, although on October 15, according to reports, much remained to be done. At that time in Manitoba, where cutting had been virtually completed, 70 percent of wheat threshing had been completed. In Saskatchewan and Alberta, however, threshing accomplishing is estimated to be only 40 and 30 percent, respectively, of the total.

Wheat is showing good yields, with outturns of 25 to 35 bushels or more per acre in most areas. On the basis of the present threshing returns, the wheat pools of both Alberta and Saskatchewan have made upward revisions in their former estimates. Even their increased estimates, however, fall short of the first official estimate. Early inspections indicate a higher percentage of tough and damp wheat than usual. In general, threshing of feed grains is further advanced than is wheat, and barley leads the list among grain inspections. The delivery quota on oats and barley, originally placed at 5 bushels per seeded acre (see Foreign Crops and Markets, September 28) is now 10 bushels per seeded acre, with some points enjoying a quota as high as 15 bushels.

The storage situation, which has overshadowed most other problems as a result of the unprecedented crops, is being solved so far as possible by converting empty barns and unused farm sheds to storage space for the new crops. These buildings are being supplemented by improvised storage space constructed of snow fencing, roofing paper, and straw. It is expected that considerable deterioration of grain may result from the inadequate protection afforded, and particularly for grain that needs special handling after being harvested in rather poor condition. The labor shortage is now an important problem and, while felt throughout the west, it is most acute in Saskatchewan. It has delayed harvest operations beyond the delay occasioned by the unfavorable weather in late September. This situation is now being alleviated by the Government's intervention in sedning excursion trains from the east to carry easter farmers and students to the areas where help is most urgently needed. Through this aid, 2,000 men have been placed in the fields and more are expected to follow, since the plan provides for the transportation of 5,000 men.

Although the Canadian farmer's potential income for this year's crops is high, his cash income has been drastically reduced by delivery and marketing quotas. Current wheat quotas are so restricted that cash receipts are said to barely cover cash outlays for harvesting. Cash requirements will, however, be covered to some extent by bonus payments, which are now being received. According to the Regina office of the Wheat Acreage Reduction Administration, 40,000 claims for bonus payments have been filed in Manitoba, 98,950 in Saskatchewan, and 56,000 in Alberta. It has been estimated that acreage diversion payments to Saskatchewan farmers will total about \$12,000,000 (Canadian money) this year. Excluding Government benefits, which may total over \$90,000,000, it is estimated that Canadian farmers' income from 1942 crops may be well over \$1,000,000,000 (\$900,000,000 United States) and may possibly exceed the previous all-time record of \$1,056,000,000 in 1929. As the result of restricted wheat marketings, however, the western farmer will not show an increase proportionate to the rest of Canada, and the net position of the prairie farmer is expected to be only slightly better than it was last year.

ECUADOR'S WHEAT CROP REDUCED . . .

The 1942 wheat crop in Ecuador is estimated to be only from 50 to 60 percent of normal, according to information received recently in the Office of Foreign Agricultural Relations. Production data are fragmentary, but with average production estimated at about 850,000 bushels, this would indicate a crop of around 450,000 to 500,000 bushels. Of the average crop, approximately 15 percent is required for seed and the remainder is available for food. Even in years of normal harvest, domestic wheat fills only about 50 percent of the country's requirements and imports are required to meet the deficit, especially for the coastal districts. With the short crop harvested this year, however, it is estimated that somewhat increased imports will be needed from abroad.

As a result of the small domestic supply, many local millers are said to be faced with the possibility of having to close their mills unless sufficient wheat can be imported. Inquiries have recently been made by millers of Ecuador for foreign wheat, but the lack of shipping space greatly complicates the import position.

The Government of Ecuador on September 22, 1942, passed a decree prohibiting exports of wheat and wheat flour. The measure is designed to conserve small existing stocks but can be expected to do comparatively little to alleviate the general situation created by such a short crop in a country which, even in years of normal harvest, imports a large part of its wheat requirements. Small quantities of wheat have been, in past years, sent across the Colombian border and under the terms of a commercial treaty recently signed by these countries, Colombia would admit Ecuadoran wheat and barley duty free.

The flour shortage is considered very serious and the resultant high price is reported to be causing great hardship among the low income groups. It is reported that Argentina is offering flour but at prices above those which importers are willing to pay. For the past 6 years the bulk of the flour imported has been from the United States.

ECUADOR: Imports of wheat flour, 1935-1941

Country of origin	: 1935	: 1936	: 1937	: 1938	: 1939	: 1940	: 1941
	: Barrels	: Barrels	: Barrels	: Barrels	: Barrels	: Barrels	: Barrels
Argentina	26,560	14,570	33,563	101	-	885	-
Canada	8,705	21,374	200	-	99	151	748
United States..	26,071	52,267	102,119	110,732	184,110	92,208	132,240
Others	20,424	15,084	1,170	1,197	2,546	3,192	-
Total	81,760	103,295	137,052	112,030	186,755	96,436	132,988

Compiled from official sources.

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C O T T O N - O T H E R F I B E R S

IRAQ COTTON PRODUCTION SHARPLY REDUCED . . .

The 1942 cotton crop in Iraq is tentatively estimated by the Directorate of Agriculture at 9,200 bales (of 478 pounds) from a planted area of 28,000 acres, compared with the 1941 crop of 17,000 bales from 225,000 acres. The quality of the 1942 crop is reported to be good, with little damage by insects. The poor yield in 1941 resulted from heavy flood damage during the growing season. A Government decree of March 12, 1942, restricted the 1942 acreage to 25 percent of the 1941 area, or to about 56,000 acres, but high prices for vegetables and other food crops caused a greater shift to those crops than had been anticipated.

Disposal of the 1941 cotton crop has been difficult, and most of it was still in the country when picking of the new crop was begun. Since there are no cotton-spinning mills in Iraq, virtually the entire crop is exported each year. The entire 1940 crop and existing stocks from the 1939 crop, a total of around 25,000 bales, were exported to Japan. Exports of 1941 cotton had totaled only 485 running bales (to India) by the end of June 1942. And additional 700 bales were later sold at prices ranging up to 16.5 dinars per bale of 400 pounds (16.64 cents per pound) for export to Syria. Turkish buyers offered to purchase 5,000 bales at an average price of 15 dinars (15.13 cents), but the entire stock of 1941 cotton (approximately 16,000 standard bales) was recently reported to have been sold for export to Iran (prices not indicated). Prices for 1942 cotton had not been determined at the time of this report, but a nominal price of around 25 dinars per metric ton of seed cotton (4.58 cents per pound) was anticipated.

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CUBAN COTTON MILLS INCREASE OPERATIONS . . .

The current rate of cotton consumption in Cuba's two spinning mills is equivalent to about 21,000 bales annually. The larger mill operates 33,000 spindles and 924 looms on four 6-hour shifts per day, consumes about 19,000 bales of cotton annually, and produces about 35,000,000 yards of cloth. New equipment now being installed in this mill will soon bring about in appreciable increase in raw cotton consumption. The smaller mill, operating 6,000 spindles and 270 looms, is consuming cotton at the rate of 2,100 to 2,400 bales annually and produces about 1,500,000 yards of cloth. Demand for cotton goods in Cuba has been stimulated both by a wartime increase in consumer purchasing power and the need for cotton bags to supplement the inadequate supply of jute bags for packing sugar, coffee, and other farm products.

There are several cotton-weaving mills, all of which rely on foreign sources, mainly the United States, Germany (prior to 1940), and the United Kingdom, for yarn supplies. Imports of cotton yarns and thread totaled

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4,654,000 pounds in 1938, 5,333,000 in 1939, and 4,374,000 in 1940. These mills, together with the two mentioned above manufacture about 40 percent of Cuba's cotton textile requirements and a much larger percent of requirements for denims, drills, sheetings, chambrays, and poplins. Approximately 97 percent of the mattresses sold in Cuba are manufactured locally. It is estimated that about 700,000 pounds of cotton batting, tufting, and felting are imported annually for use in the mattress and furniture factories.

Most of the cotton imported into Cuba is usually obtained from the United States. During 1941, however, when Brazilian cotton was available at about 3.5 cents per pound less than comparable grades of American, Cuban mills accumulated a stock pile of Brazilian cotton in anticipation of later shipping difficulties. Reports from Mexico indicate that larger quantities of Mexican cotton may be exported to Cuba this season.

CUBA: Imports of cotton, by countries, average 1932-1936,
annual 1937-1941, and January-August 1942

Year ended December 31	United States	Brazil	Mexico	Others	Total
	<u>Bales</u>	<u>Bales</u>	<u>Bales</u>	<u>Bales</u>	<u>Bales</u>
Average 1932-1936	3,381	0	125	22	3,528
1937	6,975	0	266	11	7,252
1938	9,658	0	288	2	9,948
1939	14,017	0	72	7	14,096
1940	12,971	335	56	2	13,364
1941	16,406	19,083	0	13	35,502
1942 a/	11,382	0	5	0	11,387

Compiled from official sources. a/ January-August only.

Stocks of cotton in Cuba at the end of July 1942 were estimated at 26,900 running bales and are reported to be sufficient for more than a year's requirements unless considerably larger quantities are used in the manufacture of cotton bags for the sugar industry. Stocks of cotton batting and renovated cotton were estimated at 225,000 pounds.

Cotton production reached a peak of 300 bales in 1936 but has now been virtually abandoned and is not likely to exceed 100 bales this year. Some cotton that grows wild in Cuba's tropical climate is picked each year. Experimental cotton growing, particularly since 1929, proved that native cotton was irregular in staple length, rather coarse and harsh, and probably could not be spun into fine yarn. Lack of freezing weather at any time makes the control of insect pests, especially the boll weevil, difficult and expensive. As a result, other agricultural industries, such as sugar, tobacco, fruits, and vegetables, have proved more profitable and led most former cotton growers to abandon its cultivation. Experiments with Sea Island cotton on the Isle of Pines were discontinued following a yield of only 7 bales from the 35 acres planted late in 1940.

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L I V E S T O C K A N D A N I M A L P R O D U C T SMEXICAN CATTLE INDUSTRY THRIVES . . .

Mexican cattle exports in 1942 are expected to be about 450,000 head compared with 543,000 head in 1941 and an average of 449,000 head for the 4 years 1938-1941. It is not thought that exports can be increased in the next few years without seriously depleting herds. All of these exports were to the United States with the exception of minor shipments to Guatemala.

The largest number, or 27 percent of the total in the years 1938-1941, was shipped through Ciudad Juarez in the State of Chihuahua. Other important export ports were Nogales in the State of Sonora, Piedras Negras, Naco, and Aqua Prieta. It is more profitable to market surplus cattle from this area in the United States than to undertake the long haul to Mexico City.

MEXICO: Cattle exports and imports, 1934-1941

Year	Exports					Imports
	Total	To United States	Export points			
			Cuidad Juarez	Nogales	Piedras Negras	
	<u>Number</u>	<u>Number</u>	<u>Number</u>	<u>Number</u>	<u>Number</u>	<u>Number</u>
1934	60,413	52,739	12,685	304	12,989	1,495
1935	264,727	264,330	45,035	48,851	37,701	2,466
1936	176,787	176,465	42,289	16,739	24,588	2,516
1937	192,928	192,764	62,618	36,584	12,106	2,268
1938	293,169	292,890	98,446	42,684	27,057	1,764
1939	541,187	540,893	202,656	79,445	44,620	2,141
1940	417,996	417,960	153,487	64,371	43,888	4,608
1941	543,705	542,701	218,722	69,598	60,444	3,946

Compiled from official sources.

Due to the United States quota, which limits the entries of heavy cattle, most of the imports from Mexico fall within the feeder-cattle weight group of 200 to 699 pounds, which pays the full United States duty of 2 cents per pound. Hereford or Hereford crosses comprised 66 percent of the Mexican cattle exports in 1941.

The cattle industry in the northern States of Mexico, bordering on the United States, has been built up mainly as a result of the proximity of the United States market for feeder cattle. Therefore, the tariff policy of the United States in regard to live cattle imports has affected this industry materially.

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In recent years, Mexican total cattle marketings ^{1/} have been between 1,500,000 and 1,600,000 head annually, about one-third of which were exported, chiefly to the United States. The cattle imported from Mexico, on a dressed-weight basis, averaged about 45 percent of the United States total imports of cattle and beef for the 3 years 1938-1940. In those same years total cattle and beef imports from Mexico represented 2 percent of United States consumption, of beef and veal.

High cattle prices in the United States in recent years, combined with the lowering of the duty on heavy cattle imports from 2 cents to 1.5 cents per pound, effective January 1, 1939, ^{2/} resulted in larger shipments of cattle from northern Mexico to the United States, and last year there was some agitation on the part of local butchers and consumers of beef in northern Mexico concerning the heavy shipments of the best cattle to the United States, leaving only poor beef at high prices for people in Mexico. The problem is being investigated at the present time by Federal, State, and local organizations. This movement is controlled by the United States quota established in the New Canadian Agreement effective January 1, 1939, which placed the number of heavy (700 pounds and over) cattle from all countries that may be entered at the reduced rate of duty, at 225,000 head annually. Later Canada was allocated 86.2 percent of the quota and all other countries 13.8 percent. A quarterly quota of 60,000 head was then established and allocated in the same way. All entries above 8,280 head quarterly from countries other than Canada must pay the full duty of 3 cents per pound. Calves under 200 pounds are limited to a total of 100,000 annually from all countries at the reduced rate of 1.5 cents, the regular duty being 2.5 cents.

MEXICO: Price per pound of live cattle at Mexico City,
by months, 1939-1942

Month	1939	1940	1941	1942
	Cents	Cents	Cents	Cents
January	2.4	2.9	2.5	3.7
February	2.4	2.9	2.8	3.7
March	2.5	2.9	2.9	3.7
April	2.5	2.8	2.7	3.7
May	3.1	2.5	2.5	4.8
June	3.3	2.5	2.5	4.9
July	3.3	2.5	3.7	5.1
August	3.3	2.5	3.7	-
September	3.2	2.5	3.7	-
October	2.9	2.5	3.7	-
November	2.9	2.5	3.7	-
December	2.9	2.5	3.7	-

Compiled from official sources.

^{1/} Commerical slaughter and exports

^{2/} Canadian agreement, January 1, 1939.

UNITED STATES: Prices obtained per pound for beef cattle, delivered at scales in El Paso stock yards, September 1941 - August 1942

Month	Small steers	Yearlings	Calves
	Cents	Cents	Cents
1941 - September	6.5 - 7	8 - 9	9 - 10
October	6 - 7	8 - 9	9 - 10
November	6 - 7	8 - 9	9 - 10
December	6.5 - 7	8 - 9	9 - 10
1942 - January	6.5 - 7.5	8 - 9	9 - 11
February	7 - 8	9 - 10	10 - 11.5
March	7 - 8	9 - 10	10 - 12.5
April	7 - 8	9 - 10	10 - 13
May	6.5 - 7	8.5 - 9	10 - 14
June	6 - 7	8.5 - 9	10 - 12
July	6 - 7	8 - 9	10 - 11.5
August	6 - 7	8 - 9	10 - 11

Compiled from official sources.

MEXICO: Average prices of cattle at the Nogales stock yards, Arizona, for 1941-42

Class of cattle	Average weight	Average price
	Pounds	Cents
Cows	600 - 800	7.5
Calves	150 - 400	11.5
Steers, yearlings	300 - 500	11.0
2 years old	400 - 600	10.0
3 years old	500 - 800	9.0
Bulls	700 - 900	8.5

Compiled from official sources.

Imports of cattle into Mexico have never been large and consist mainly of breeding stock. Imports were largest in the 20's and reached their peak with 91,000 head in 1925. At that time the Government under President Calles encouraged the building up of herds in Mexico. In 1930 when cattle prices were low, Mexican cattlemen took little interest in improving herds. Recent more favorable prices have stimulated interest in stock improvement. Most of the imports were from the United States.

An estimate based on incomplete census figures for 1940 indicates that there were 11,750,000 head of cattle in Mexico that year compared with 10,083,000 in 1930. Estimates published by the International Institute of Agriculture for intervening years were considerably larger than the census figures. The estimate for 1939 from that source was 17,588,000 against 16,177,000 in 1938, and indications are that this was an overestimate. At any rate, it is apparent that numbers in 1940 were much larger than in 1930 and in 1942 were about 20 percent larger than in 1930.

MEXICO: Distribution of cattle by States
1940 with comparisons

Zones and States	Census June 30, 1902	Estimate 1926	Census April 26, 1930	Census 1940	Increase 1940 over 1930
<u>North</u>	<u>Thousands</u>	<u>Thousands</u>	<u>Thousands</u>	<u>Thousands</u>	<u>Percent</u>
Coahuila	182	102	226	275	22
Chihuahua	396	398	685	907	32
Durango	233	133	320	449	40
Nuevo Leon	123	148	300	411	37
S. Luis Potosi ..	175	111	324	-	-
Temauilpas	178	140	340	-	-
Zacatecas	190	230	541	-	-
Total	1,477	1,262	2,736	a/	a/
<u>North Pacific</u>					
Lower California	52	130	138	122	-11
Nayarit (Tepic).	152	141	183	201	10
Sinaloa	106	224	417	489	17
Sonora	261	483	705	-	-
Total	571	978	1,443	a/	a/
<u>Gulf</u>					
Campeche	42	18	33	59	76
Quintana Roo ...	-	1	1	3	81
Tobasco	106	129	160	-	-
Veracruz	393	269	743	919	24
Yucatan	182	53	102	-	-
Total	723	470	1,039	a/	a/
<u>South Pacific</u>					
Colima	51	48	41	49	20
Chiapas	191	150	362	583	61
Guerrero	162	200	409	-	-
Oaxaca	105	113	392	-	-
Total	509	511	1,204	a/	a/
<u>Central</u>					
Aguascalientes .	50	33	65	68	5
District Federal	12	45	49	58	16
Guanajuato	274	266	527	486	-8
Hidalgo	50	135	210	265	26
Jalisco	664	886	1,068	1,122	5
Mexico	108	165	368	442	20
Michoacán	498	529	778	733	-6
Morelos	51	36	77	117	52
Puebla	79	128	341	347	2
Querétaro	65	104	128	124	-3
Tlaxcala	11	37	50	-	-
Total	1,862	2,364	3,661	a/	a/
Total Mexico	5,142	5,585	10,083	b/11,750	16

Dirección general de Estadística.

a/ Not available. b/ Estimate based on available figures.

The 1930 census was the first complete livestock census made in Mexico, and strict comparisons cannot be made with earlier censuses due to the different method of estimating employed. A comparison of the 1940 census with that of 1930 shows that the largest percentage gains were in the northern and gulf States. The number in Chihuahua increased 32 percent to 907,000 head. An estimate of the Union Ganadera Regional de Chihuahua placed the number in that State in August 1942 at 1,600,000 head. The other States in the northern and gulf zones showed the following increases: Vera Cruz, 24 percent to 919,000 head; Durango, 40 percent to 449,000; and Nuevo Leon, 37 percent to 411,000 head. The number in the State of Jalisco in the central zone, which had more cattle than any other State, increased 5 percent to 1,122,000 head, whereas in Michoacan there was a decrease of 6 percent to 733,000 head.

The 1902 and 1926 estimates indicated that there were between 5 and 16 million cattle in Mexico. It is understood that at the time of the Mexican revolution in 1910, cattle numbers were in the neighborhood of 20,000,000 head. Herds have again been built up but have not yet reached the pre-revolutionary total. During the past 20 years, breeding, feeding, watering, sanitation, and general care of animals have been improved.

Cattle owners in the northern States have followed the methods employed in the United States for improving herds. Land holdings in the northern part of the country are large, and it is common for one cattleman to have as much as 37,000 acres. There is about 1 steer for 12 to 25 acres. About six men are hired for a ranch of this size at 1.25 pesos (26 cents) to 2.00 pesos (41 cents) per day. In the other parts of the country, especially the central and southern parts; cattle are produced on small farms for home use mainly.

The five leading cattle producing States are Jalisco, Veracruz, Chihuahua, Sonora, and Michoacan. The largest herds of cattle are on the vast ranges of the northern States where there are more cattle per head of population. This is the surplus area. Cattle are produced in every state in Mexico, however, with the greatest concentration in the central part of the country in the States of Jalisco and Michoacan, which are in the neighborhood of Mexico City. The cattle produced here are general-purpose cattle varying in type from beef to dairy cattle.

The annual production of calves in Mexico is estimated at 2 million head. The number of calves per 100 cows ranges from 55 to 75. The number of calves depends somewhat on the rainfall during the spring and summer months of the preceding year. If pastures are poor and cows become thin and unfit for breeding purposes, the calf crop the next year is low and the mortality rate of calves is high.

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In contrast to the practice in northern States bordering on the United States where cattle are sold principally at weights of 200 to 699 pounds for further fattening in the United States, in the Huasteca area the cattle are fattened on the abundant "parra" and "guinea grass" grown there and are marketed in Mexico City. The area comprises part of northern Veracruz, eastern San Luis Potosi, and northern Hidalgo. The rainfall is abundant in this area, the winters mild, and the soil good. This area draws cattle from the nearby larger dry-range area for fattening.

Approximately 1,102,000 head of cattle and calves were slaughtered commercially in Mexico in 1940 for domestic consumption. The number killed has varied very little in the past 5 years, but the average dressed weight is slightly lower than the average for preceding years. The average value per head in 1940 had about reached the 1929 level, being 86.26 pesos (\$17.74) per head, against 86.69 pesos (\$17.83) in 1929. The value fell as low as 48.59 pesos (\$9.99) in 1932.

MEXICO: Number and dressed weight of cattle slaughtered,
1940 with comparisons

Year	Number slaughtered	Dressed weight		Average dressed weight
	<u>Head</u>	<u>1,000 pounds</u>		<u>Pounds</u>
1924	773,008	259,243		335
1929	802,421	261,474		326
1933	903,967	283,785		314
1936	1,069,092	332,407		311
1937	1,123,066	344,824		307
1938	1,091,873	332,145		304
1939	1,102,728	335,564		304
1940	1,101,778	337,838		307

Compiled from official sources.

Very little meat is imported into or exported from Mexico, so the quantity produced commercially represents roughly the domestic consumption. Average per capita consumption of meat in Mexico is relatively low and in 1940 was 11.4 kilograms (25.1 pounds) against 10.3 kilograms (22.7 pounds) in 1930. The consumption in the Federal District is much higher than for the whole country, being 35.2 kilograms (77.6 pounds) in 1940 against only 33.4 kilograms (73.6 pounds) in 1930. Beef consumption greatly outweighed that of other meats.

MEXICO: Apparent consumption of meats in the Republic of Mexico
and in the Federal District, 1930 and 1940

Kind of meat	Total consumption				Per capita consumption			
	Republic of Mexico		Federal District		Republic of Mexico		Federal District	
	1930	1940	1930	1940	1930	1940	1930	1940
	1,000	1,000	1,000	1,000				
	pounds	pounds	pounds	pounds	Pounds	Pounds	Pounds	Pounds
Beef ..	257,599	337,888	61,231	92,221	15.6	17.4	49.6	52.0
Mutton.	9,819	10,263	3,512	3,889	0.7	0.4	2.8	2.2
Goat ..	20,406	17,374	4,107	1,585	1.1	0.9	3.3	0.9
Pork ..	86,255	124,022	22,002	39,976	5.3	6.4	17.9	22.5
Total	374,079	489,547	90,852	137,671	22.7	25.1	73.6	77.6

Compiled from official sources.

AUSTRALIA'S DEMAND FOR PORK
PRODUCTS EXCEEDS SUPPLY . . .

Since early 1942 the demand for pork and pork products in Australia has been continually increasing, and production has been insufficient to meet requirements. Demand has increased as a result of growing needs of Australia's fighting forces, the return of thousands of men from abroad, the calling of additional thousands to arms, the needs of American troops, and the orders from the United Kingdom for canned-pork products. Prices of hogs have reached unprecedented levels, and it appears as if a profitable market for pork and pork products will continue at least for the duration of the war.

Every effort is being made to build up the Australia hog industry during 1942, and it is reported that the breeding of pigs has increased in most States in the past few months. There appears to be little hope, however, of overcoming the results of the break in hog prices last year and of effecting an increase in pork production sufficient to meet demands during 1942-43. It is estimated that total demand will approximate about 210 million pounds in 1942-43, 90 million pounds for the fighting forces and British requirements, and 120 million pounds for domestic civilian requirements. Australian production in 1940-41 reached the record total of 209 million pounds, an increase of about 20 percent above 1939-40. The expected deficit in pork products is not serious, as there are plenty of other meats available and shifts can be made to beef or mutton if necessary.

Since early 1942, hog raisers have been asked to increase production as quickly as possible, both by feeding hogs to heavier

weights and by increasing breeding. One of the greatest difficulties encountered in the proposed expansion of the industry is shortage of labor. The hog industry since June 1942 has been declared "protected" for the purposes of Man Power Regulations; that is, an employee can neither leave his employment nor be dismissed without the matter first being referred to the Man Power authorities.

There are large stocks of grains, and with a considerable increase in price of hogs and a decrease in the price of feed wheat and barley the relationship of grain prices to hog prices is very favorable to increased hog production.

Hog numbers decreased 20.6 percent in 1941, the preliminary estimate for all Australia being 1,450,000 as of January 1, 1942, compared with 1,798,000 in 1941. The increase of 23.5 percent that occurred in 1940 was completely wiped out in 1941, due to constantly changing export requirements, official discouragement of expansion of the industry, high prices of grain and mill offal, shortage of labor, and the effects of the drought on the dairying districts of eastern Australia. The principal hog-producing States are New South Wales, Queensland, and Victoria. All of these States, and in addition the States of Western and South Australia, showed decreases in hog numbers in 1941.

Exports of pork, bacon, and hams in 1941-42 (July-June) amounted to 40,335,000 pounds, a decrease of 51 percent compared with the record total of 82,133,000 pounds in 1940-41. Shipments to the United Kingdom in 1941-42 amounted to 31,889,000 pounds against 75,658,000 pounds in 1940-41.

AUSTRALIA: Hog numbers, slaughter, pork production, consumption, and export, 1938-1942

Year	Number a/	Number slaugh- tered	Pro- duction b/ c/	Consumption b/ c/		Exports b/	
				Total	Per capita	Pork	Bacon, hams
			1,000	1,000		1,000	1,000
	Thousand	Thousand	pounds	pounds	Pounds	pounds	pounds
1938 ...	1,100	1,840	157,308	124,523	17.97	30,716	1,739
1939 ...	1,156	1,953	174,834	117,804	16.84	52,203	4,248
1940 ...	1,155 d/	2,478	308,917	126,689	18.07	75,456	6,677
1941 ...	1,798	-	-	-	-	34,375	5,960
1942 ...	d/ 1,450	-	-	-	-	-	-

Compiled from official sources.

a/ January 1. b/ Year beginning July 1. c/ Pork, bacon, and hams.

d/ Estimate based on incomplete data.

* * * * *

GENERAL AND MISCELLANEOUS

FOREIGN EXCHANGE

EXCHANGE RATES: Average value in New York of specified currencies,
October 17, 1942, with comparisons a/

Country	Monetary unit	Year 1941	Month				Week ended		
			1940	1941	1942		1942		
			Sept.	Sept.	Aug.	Sept.	Oct. 3	Oct. 10	Oct. 17
		Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Argentina <u>b/</u>	Paper peso	29.77	29.77	29.77	29.77	29.77	29.77	29.77	29.77
Australia <u>c/</u>	Pound	321.27	321.47	321.33	321.50	321.50	321.50	321.50	321.50
Brazil <u>d/</u>	Milreis	5.07	5.01	5.06	5.15	5.14	5.14	5.15	5.15
British India	Rupee	30.14	30.16	30.14	30.12	30.12	30.12	30.12	30.12
Canada <u>c/</u>	Dollar	87.32	85.47	89.13	89.52	87.82	87.61	87.00	87.57
Mexico <u>e/</u>	Peso	20.54	19.94	20.54	20.57	20.57	20.57	20.57	20.57
New Zealand	Pound	322.54	322.74	322.60	322.78	322.78	322.78	322.78	322.78
South Africa	Pound	398.00	398.00	398.00	398.00	398.00	398.00	398.00	398.00
United Kingdom <u>c/</u>	Pound	403.18	403.42	403.27	403.50	403.50	403.50	403.50	403.50

Federal Reserve Board.

a/ Noon buying rates for cable transfers.

b/ Official, regular exports. The special export rate of 23.70 cents, reported beginning March 27, 1941, applies to exchange derived from certain minor exports (e.g. dairy products) to certain countries (e.g. United States), such exchange formerly having been sold in the free market. Quotations nominal.

c/ Free. Official rates; Australia 322.80 cents; Canada 90.91 cents; United Kingdom 403.50 cents. Most transactions between these countries and the United States must take place at the official buying and selling rates.

d/ Free. Since April 10, 1939, 30 percent of the exchange derived from exports must be turned over at the official buying rate of 6.06 cents, the weighted average value of the milreis being 5.37 cents in 1941, 5.42 cents in September 1942 and 5.42 cents in the week ended October 17, 1942. Quotations nominal.

e/ Quotations nominal for 1940 and 1941.

EXCHANGE RATES: Average value in New York of Chinese, Japanese, and some European currencies during last full months for which rates were available, and current official rates

Country	Unit	New York rates <u>a/</u>	Current official rates
		Month Cents	Cents
Belgium	:Belga	:April 1940 ... : 16.89	: <u>b/</u> 16.00
Denmark	:Krone	:March 1940 ... : 19.31	: 20.88
France	:Franc	:May 1940 : 1.85	: <u>c/</u> 2.00
Germany	:Reichsmark	:May 1941 : <u>d/</u> 39.97	: 40.00
Greece	:Drachma	:September 1940 : <u>d/</u> 0.66	: 0.67
Italy	:Lira	:May 1941 : <u>d/</u> 5.09	: 5.26
Netherlands ..	:Guilder	:April 1940 ... : 53.08	: 53.08
Norway	:Krone	:March 1940 ... : 22.71	: 22.86
Portugal	:Escudo	:May 1941 : 4.00	: <u>e/</u> 6.67
Spain	:Peseta	:May 1941 : <u>d/</u> 9.13	: 9.13
Sweden	:Krona	:May 1941 : 23.84	: 23.81
Switzerland ..	:Franc	:May 1941 : 23.20	: 23.20
China	:Yuan (Shanghai)	:June 1941 : <u>d/</u> 5.34	: <u>f/</u> 5.31
Japan	:Yen	:June 1941 : 23.44	: 23.44

a/ Noon buying rates for cable transfers as reported by the Federal Reserve Board. Last daily rate reported on April 8, 1940, for the Danish and Norwegian kroner; on May 9, 1940, for the belga and guilder; on June 15, 1940, for the French franc; on October 26, 1940, for the drachma; on June 14, 1941, for the other European currencies; and on July 26, 1941, for the yen and yuan (Shanghai).

b/ Based on German official rate for United States dollar.

c/ Based on German official rate for United States dollar in occupied area; in unoccupied area official rate is 2.28 cents.

d/ Quotations nominal.

e/ Rate for currency; for checks, 4.09 cents to the escudo.

f/ Rate set August 18, 1941, by Chinese Stabilization Board.

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